



VENTURES

Central Oregon Health Council Case Study

About This Case Study

This case study was authored as a part of the evaluation of ReThink Health Ventures, a three-year project of The Rippel Foundation, conducted with support from the Robert Wood Johnson Foundation, to explore what could accelerate the progress of ambitious multisector partnerships working to transform health in their regions, and what often stands in the way of that progress. Through the project, Rippel's ReThink Health initiative supported multisector partnerships in six regions across the country as they worked to build practices that are essential for transforming a regional health ecosystem, including broad stewardship, sound strategy, sustainable financing, and a shared vision. Each participating partnership selected a handful of members to participate on the Ventures Team for their region. Those teams collaborated with ReThink Health and their broader partnerships throughout the project. Mount Auburn Associates served as the project's learning and evaluation partners.

We have authored case studies about each of the six partnerships to highlight their unique journeys toward health transformation, with a particular focus on their work in Ventures, as well as insights that can be applicable to a wide range of stewards working to transform regional health ecosystems across the United States. You can find the other case studies, along with a detailed evaluation report about ReThink Health Ventures, at www.rethinkhealth.org/ventures.

We are grateful for the time and energy that so many people contributed to support the development of these case studies. Most importantly, the authors would like to thank the leaders who participated in Ventures for their tireless dedication to transforming health and well-being in their communities.

Central Oregon Health Council

Central Oregon, OR

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Overview

Cross-sector leaders in Central Oregon—from Crook, Deschutes, and Jefferson counties—have a decade-long history of supporting health transformation efforts in their region. In 2009, leaders created the Health Integration Project Transitional Board because, as a person involved in this effort noted, “We realized that most of the initiatives that have happened for decades were really around medical payment reform, and we wanted to be about system reform and about true health and community.”

That group evolved into the Central Oregon Health Council (COHC), which began in 2009 and was formalized in 2011 by the state legislature and charged with furthering health improvement across Central Oregon. The formal creation of the COHC aligned with Oregon’s launch of regional coordinated care organizations (CCOs), which became responsible for integrating physical, behavioral, and oral health services for Medicaid recipients. The COHC became the governing body for the Central Oregon CCO, which is operated by PacificSource Community Solutions (PSCS). COHC not only oversees the CCO, but also works collaboratively with other organizations in the region to provide health planning oversight and to develop the regional health improvement plan (RHIP). COHC’s approach to health transformation, which includes leading both a large cross-sector partnership focused on population health and coordination efforts to support the Medicaid population through the CCO, has influenced other CCOs in the state and the state’s evolving approach to CCOs.

COHC leaders engaged with ReThink Health Ventures to develop a better strategic decision-making model and to guide its regional investments (funded with revenues generated by the CCO). Oregon’s CCO legislation specifies the business model for CCO work across the state and clarifies certain domains of investments (including physical, dental, and mental health) that CCOs should make to support the state’s Medicaid population. As the work with Ventures evolved, the COHC came to see its convening role in the community more comprehensively. It broadened its focus from just the Medicaid population to include the entire population as well as a broader range of strategic priorities to support health and well-being for all in the region. COHC’s leaders also recognized that the system change they envisioned required that they approach efforts to fund their work in a more

VENTURES TEAM, GEOGRAPHIC SCOPE

- **Ventures Team:** Leaders of Central Oregon Health Council (community health coordinator and regional CCO); county commissioner; county public health directors; and leaders from a network of free clinics, major regional health systems, and from pediatric care
- **Geographic Scope:** Oregon’s Crook, Deschutes, and Jefferson counties

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sustainable manner, particularly funding for the integrative activities, such as health planning and convening, that it provides to the region. COHC’s progress in these areas offers lessons for the leaders working to transform regional health about how state policy structures can create an enabling environment for health system transformation.

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Context

Central Oregon is a relatively small, largely rural region that includes three counties with varying demographic composition and economic challenges. Overall, Deschutes has both a larger population and more wealth than Jefferson and Crook counties, which have more vulnerable populations.

Central Oregon Health Council’s History: In 2009, almost two years prior to the state’s CCO legislation, a cross-sector group of leaders came together in Central Oregon to develop innovative approaches to care coordination and serve as a testing ground for new statewide initiatives. In 2011, when the state was

working on the CCO framework, this group successfully pushed for state legislation to create the Central Oregon Health Council as a separate governing body for the region's CCO. This is the main difference between Central Oregon's CCO and the state's other CCOs; the legislation created a separate entity, establishing COHC as an overseeing body of the Central Oregon CCO. The legislation specified which organizations the COHC must engage to help determine the areas of investment for the CCO and requires COHC to work with community leaders to drive systemic change.

CCO Legislation in Oregon: The state of Oregon has one of the most innovative and supportive policy environments for health transformation in the United States. One of the hallmarks of the state's approach was the establishment, in 2011, of regional coordinated care organizations (CCOs) to integrate physical, behavioral, and oral health services for Medicaid recipients. This effort, which created 16 CCOs throughout Oregon, was a bold attempt to reform health care and improve health outcomes for Medicaid-eligible residents. According to the Oregon Health Authority, "CCOs are accountable for health outcomes of the population they serve. They are governed by a partnership among health care providers, community members, and stakeholders in the health systems that have financial responsibility and risk." CCOs are required to complete a community health improvement plan (CHP), based on a community health assessment, at least every five years. CCOs must also submit annual CHP progress reports.

Advancing Health Transformation with ReThink Health Ventures

For nearly a decade, the multiple regional stakeholders involved in the establishment and operations of the COHC have been working to transform Central Oregon's health systems. There is notable evidence that, through their engagement in Ventures, this network of leaders is now working in new ways to advance those transformation efforts.

How Leaders are Working Differently

- 1. Having a broader, more inclusive vision:** Supported by their work with Ventures, COHC leaders affirmed they should expand beyond a focus on health care to also encompass well-being. The COHC board also solidified a more ambitious agenda that focuses on all residents of Central Oregon, not only Medicaid recipients.

The COHC's initial work with Ventures involved the development of a value proposition narrative, which articulated the organization's desired future for the region and clarified how COHC is uniquely

positioned to deliver on that long-term vision for regional health and well-being. This led COHC to appreciate the importance of working through their partnership to support all residents of Central Oregon, not only the Medicaid population served through the CCO.

Developing a shared, aspirational vision for the future of Central Oregon also equipped the COHC to broaden its approach. As one team member reported, "Some of the money that comes into the Health Council is very much focused on meeting quality improvement metrics, and so a lot of the focus of the Health Council has been on reducing the incidence of diabetes or cardiovascular disease or reducing opioid use and very specific things like that, which also tended to put us back into little silos. By doing some of the work with Ventures, we were able to look up a little bit from those silos and name how it is all fitting together . . . it gave us the opportunity to think bigger."

Through their work with Ventures, developing comprehensive strategies for system change, the COHC team members explored how the many forces that shape health in the region work together as a system, and how that system tends to change, or resist change, over time. Coupled with their efforts to develop a value proposition narrative, the team began thinking well beyond health care delivery to consider all of the vital conditions that impact health and well-being. This encouraged an expansion of the COHC agenda to include housing, a more comprehensive approach to children's health and well-being, and a more intensive focus on behavioral health and substance abuse. As a result of this expanded strategy, the COHC has invested \$2 million in child resiliency through TRACES (Trauma, Resilience and Adverse Childhood Experiences), a broad regional partnership led by a steering committee that included the leadership of the COHC. Engagement in the planning and oversight of this work, as well as the size of the COHC investment, is a good example of COHC's revised strategic focus.

- 2. Shifting to a new mindset about receiving payment for integrative functions:** The value of COHC as a regional intermediary, providing convening, planning, and data capacity to ensure equitable health and well-being throughout Central Oregon, is now part of how the organization defines itself. In the past, COHC did not expect payment for providing many of the integrative activities associated with being an intermediary, even though these activities are critical to the region's health transformation. This mindset has now shifted, with COHC's leadership pursuing

multiple sources of funding, beyond the revenues derived from the CCO. COHC also undertook financing work with Ventures, focused on understanding and mapping out coordinated financial plans for each part of its portfolio as well as the full array of integrative activities it provides in Central Oregon. This exposed the gaps in how it was financing its integrative activities, most notably its role in regional health planning, and led to the COHC to think “it’s ok to get paid,” as opposed to seeing that work as to always be provided “in kind.” As a result, staff are now pursuing new sources of funding. According to the director, Donna Mills, “Now we go out and look for money that is not part of the CCO budget. That is huge.” COHC no longer sees itself as just a funder of programs and interventions that repurposes money coming from its shared arrangement with the CCO, but as a regional health transformation intermediary with multiple funding sources to advance that work.

3. Developing more strategic resource allocation:

As part of its Ventures work, COHC focused extensively on building broad stewardship and comprehensive strategies to advance its regional transformation efforts. This work resulted in COHC shifting how it makes decisions about allocating resources. The COHC embraced a funding approach grounded in distributed leadership, empowering its nine working groups, each of which align with an RHIP area of focus (including behavioral health, cardiovascular disease, oral health, and beyond) to make decisions about what to fund in order to achieve their goals. Supported by their Ventures strategy work to develop a more balanced and impactful set of policies, programs, and practices, COHC board members realized that a new approach to governing resource allocation—rooted in distributed leadership—was critical. The board shifted from controlling the entire grantmaking process to leading a more strategic and shared approach. They developed new structures to ensure that COHC’s funds will have the greatest impact on regional health and well-being, including having a separate team vet major proposals to ensure they align with the organization’s goals prior to working groups assessing proposals.

COHC team members also reassessed their governance structures related to financing. They realized that the COHC workgroups did not have sufficient authority to allocate funds to advance their efforts, limiting their abilities to autonomously implement programming. In collaboration with the COHC board, the workgroups were empowered to make decisions about the allocation of resources

from the CCO savings. The RHIP investment framework now provides each workgroup with \$250,000 a year. The onus is now on the workgroups, rather than on the board, to make many funding decisions. The board sees this as an important mechanism for distributing leadership across community stakeholders. According to one of the team members, “This change came out of thinking about how we give ownership to the people and organizations in each of the workgroups.”

COHC’s Ventures-related work also influenced the development of a new financing arrangement through its CCO contract. COHC’s leaders knew they needed to find a more reliable way to fund their partnership work. Traditionally, a large portion of COHC’s annual revenue came from an assessment of the CCO’s savings at the end of each year. That savings could vary considerably, meaning that COHC did not have a reliable revenue source. Through their Ventures financing work, COHC leaders were encouraged to look beyond grant funding to identify other funding approaches that could be more sustainable, and that accurately reflect the value COHC provides to the Central Oregon community.

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Using the new value proposition narrative, the COHC leadership was able to make an effective case. Now, rather than receiving payment at the end of each year, the Central Oregon Health Council receives an annual upfront payment of one percent of the CCO’s global budget through a new joint management agreement with the CCO. This change in the timing of the payment provides the COHC with a guaranteed amount of upfront funding as opposed to relying exclusively on the shared cost savings at the end of the year.

Learning from COHC

A number of contextual factors helped to propel work in Central Oregon, including a state policy environment that helped COHC to work with great impact and a health care market with limited competition. Beyond these contextual factors, COHC was able to leverage its work with Ventures and build momentum in effective ways. Still, as the Central Oregon Health Council moves along its pathway toward health system

transformation, it is grappling with potential pitfalls that are commonly experienced by collaborative efforts working to transform regional health.

Ways to Advance Progress

Coupling legislative support with effective regional stewardship: The Central Oregon model is one of a relatively limited number of shared savings arrangements that uses the savings (that accrue from innovations in serving the Medicaid population) to fund population health programming that promotes health and well-being among the region's general population. With a sustainable revenue stream, COHC is able to invest strategically in a suite of selected policies, programs, and practices that align with a shared vision for regional health transformation. This would not be possible without the CCO structure established by the state legislature. However, Oregon's other CCOs have developed in very different ways. The relative strength of Central Oregon's model demonstrates the importance of developing regional stewards with a strong appetite for doing work differently, a compelling shared purpose and value proposition, and ambition to refresh and strengthen their approach over time.

Enabling authority through legislation: While the founders of the COHC established the authority of the group through their own leadership when they initiated the group in 2007, the state-level CCO legislation, passed in 2011, has played a critical reinforcing role. It provides the group with a clear line of ongoing responsibility and legitimacy among stakeholders in the regional health ecosystem. The COHC has very clear authority from the state for its role as a crosssector collaborative overseeing regional health and well-being.

Having a single health care system: Those involved in Central Oregon's Ventures work believe that having only a single health care system operating in the region allowed greater alignment across stakeholders and more innovative approaches to health transformation. Because there is only one system in the region, many local leaders observe that the system is obliged to find creative solutions to challenging problems. As one of the team members noted, "We're the biggest thing between Portland and Boise. And we have such great opportunities to try so many cool things because the health system can't externalize these issues. You know, they can't just say, 'Oh, we're not taking care of that. Go to that hospital across the street for it.' They have to just take care of it."

Reinforcing a strong ambition for continued progress: When COHC began its work with Ventures, it had already been working for 10 years on innovative

approaches to regional health transformation. But, according to some, COHC was "coasting" on previous success and needed to rethink its shared purpose and value proposition, the type of strategic approaches needed in the region, and its financing and stewardship structures. Doing things differently entails hard work and a constant drive to advance new approaches for health transformation and system change.

Ways that Progress can be Derailed

Lacking depth of resident engagement: The COHC has a community advisory council comprised of a cross-section of the area's residents, as required by the state CCO legislation. The group, which exists to ensure the COHC remains responsive to consumer and community health needs, is intended to be representative of Central Oregon's demographic makeup. However, the overall sense was that this group did not fully represent the region's residents. The prevailing wisdom was that new mechanisms were needed to ensure that the full diversity of residents from the three counties are engaged, and that residents understand the role of COHC and are themselves able to play a meaningful role in its work. COHC is in the process of experimenting with new ways of engaging grassroots community-led groups and residents.

Allowing your prior focus to dictate your future direction: COHC's work with Ventures reinforced where it was already heading—toward addressing a broader set of the social determinants of health. However, it can be easy for the staff and board of an organization that has been focused on health care to be pulled back into strategies and activities that focus on delivering urgent care because the staff are trained in these areas and the organization is structured to address those needs. It will take continued hard work to maintain a focus on the many vital conditions beyond health care that are impacting health and well-being.



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